

To the Members of the California State Assembly:

I am returning Assembly Bill 2171 without my signature.

According to the author, this measure is intended to protect the elderly from being victimized when they inadvertently overpay their taxes. While I strongly support efforts to protect the elderly from financial abuse, this measure is overly broad and does not address the primary issues the author is trying to fix.

In attempting to protect the elderly who have overpaid their property taxes, this bill would create a blanket restriction on all contracts with companies who help lien holders collect excess proceeds from the sale of tax-defaulted property. As existing provisions in law already provide the elderly with additional protections from financial abuse and fraud, we must be careful not to place unnecessary restrictions on the rights of individuals and companies to freely enter into contracts for service.

I am also concerned that this bill does not amend the appropriate provisions of law to achieve the author's stated goal of helping the elderly when they inadvertently overpay property taxes. The changes that this bill proposes are related to recovering excess proceeds from tax-defaulted property, not overpayment or replicated payment of property taxes. I recommend the author consider legislation next year to amend the sections of law that directly pertain to issues of overpayment.

For these reasons, I am returning this bill without my signature.

Sincerely,

Arnold Schwarzenegger